

# DIRECTIVE

## WORKFORCE INVESTMENT ACT

Number: WIAD02-14

Date: April 24, 2003  
69:50:jcb:6985

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: 15 PERCENT PROJECT REQUIREMENTS

### EXECUTIVE SUMMARY:

#### Purpose:

The purpose of this directive is to summarize the Workforce Investment Act (WIA, Act) and State of California requirements regarding the Governor's WIA 15 Percent Reserve for statewide Employment and Training Activities (ETA).

#### Scope:

This directive applies to all recipients of Governor's WIA 15 Percent Reserve funds.

#### Effective Date:

This directive is effective on the date of its issuance.

### REFERENCES:

- WIA Sections 101(1)(4) and (13), 128(a), 133(a)(1), 134(a)(2)(B) and (3)(A), and 136
- Title 20 of the Code of Federal Regulations (Title 20 CFR), Part 666 and Sections 663.110, 663.815, 664.450 and 667.300
- Department of Labor (DOL) Training and Employment Guidance Letters (TEGL) 7-99, 14-00, and 14-00, Change 1
- WIA Directive WIAD02-11, Subject: Title I Eligibility (February 3, 2003)
- WIA Directive WIAD02-12, Subject: WIA Monthly Reporting Instructions (March 11, 2003)
- WIA Information Bulletin WIAB01-121, Subject: WIA Job Training Automation (JTA) Client Forms Handbook (May 22, 2002)
- WIA Information Bulletin WIAB02-23, Subject: 15 Percent Project Requirements (September 26, 2002)

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## STATE-IMPOSED REQUIREMENTS:

This directive contains some State-imposed requirements, which are indicated in ***bold, italic*** type.

## FILING INSTRUCTIONS:

This directive finalizes WIA Draft Directive WIADD-51, issued for comment on March 14, 2003. Retain this directive until further notice.

## BACKGROUND:

The WIA provides federal funding to the State of California for workforce investment activities. These activities are provided through State and local workforce investment systems. The program goals are increasing employment, retention, earnings, and occupational skill attainment by participants so that the quality of the workforce can be improved, welfare dependency can be reduced, and the State's workforce competitiveness and productivity can be enhanced. The WIA program requires the Governor to allocate a majority of the funds via formula to Local Workforce Investment Boards (LWIB) who have the responsibility for setting local policy and for providing direction for use of these formula-allocated funds in their Local Workforce Investment Area. The Governor, by law, is allowed to reserve 15 percent of the WIA funds in California for use at his discretion for the provision of statewide ETA. This document highlights the major requirements of WIA as they relate to projects funded with the Governor's WIA 15 Percent Reserve for statewide ETA.

This document puts into directive format the information transmitted with WIA Information Bulletin [WIAB02-23](#), dated September 26, 2002. The information on the 15 Percent fund requirements was prepared by managers in the Employment Development Department (EDD), Workforce Development Branch (WDB). These requirements are based on the WIA and the supporting regulations, and DOL guidance on performance and reporting included in [TEGLs 7-99](#), [14-00](#), and [14-00, Change 1](#), as well as additional State requirements. This directive covers the following areas: **Client Eligibility, Required Services, Reporting, Performance Measures, and Follow-up Requirements**. It was developed as a tool to assist local and State program operators as they plan and implement their WIA 15 Percent projects, and is not intended to be all-inclusive.

The WIA 15 Percent projects are not bound by all of the same program restrictions that exist for programs funded with WIA formula-allocated funds. For example, unlike formula-funded programs, discretionary projects are not required to give priority of service to low-income adults or provide core and intensive services prior to training. Discretionary projects are not required to select training providers from the Eligible Training Provider List or provide Individual Training Accounts as required of formula-funded adult training programs. Projects serving youth are not required to dedicate at least 30 percent of the funds to serve out-of-school youth.

For 15 Percent project operators with new projects (funded and under contract negotiation), more specific guidance on California's systems to implement the WIA

requirements will be provided through State-sponsored orientation sessions and training classes. Fifteen Percent project operators who are operating projects under contract at the time of the release of this directive should contact their assigned State Project Manager or Regional Advisor at EDD, WDB to discuss implications for their project.

**POLICY AND PROCEDURES:**

**Client Eligibility**

I. General—Program operators must verify the following for all individuals served in the WIA program:

- Right to work in the United States
- Selective Service registration compliance *as it applies to male applicants*
- Age - The following chart displays references to the Act and the regulations, the federally required age for participation, and the applicable Title I-B program

| REFERENCE                    | AGE         | TITLE I PROGRAM               |
|------------------------------|-------------|-------------------------------|
| WIA Section 101(1)           | 18 or older | Title I-B – Adult             |
| Title 20 CFR Section 663.110 | 18 or older | Title I-B – Dislocated Worker |
| WIA Section 101(13)          | 14 - 21     | Title I-B – Youth             |

II. Adult Clients (Age 18 and Older)

There are no additional adult eligibility requirements unless special groups are to be targeted. The eligibility criteria for these special groups will be spelled out in the project narrative of the contract, subgrant, or interagency agreement that EDD will establish with the project operator.

III. Youth Clients (Ages 14-21)

For projects that are youth oriented, and which include the provision of direct services to youth participants, the youth eligibility criteria below must be used to determine the enrollment eligibility of youth ages 14 through 18. Youth who are age 18 through 21, and who are going to be served in the same youth oriented project, may be enrolled pursuant to the above adult eligibility criteria or pursuant to the youth eligibility criteria which are outlined below. The State’s sole purpose in permitting these two alternative enrollment criteria to be used in respect to enrolling older youth into youth oriented projects is to make it easier to enroll older youth.

A. On a project-by-project basis, at least 95 percent of the youth clients served must be low income, as stipulated in the Act, and must fall into one or more of the following categories:

- Deficient in basic literacy skills
- School dropout

- Homeless, runaway or foster child
  - Pregnant or parenting
  - Offender
  - Requires additional assistance to complete an educational program or to secure and hold employment. Additional assistance will be defined by the project operator in conjunction with the State.
- B. On a project-by-project basis, up to five percent of the total number of youth clients served may be youth who do not meet the income criterion but who are within one or more of the following categories:
- School dropout
  - Basic skills deficient, as defined in WIA Section 101(4)
  - Are one or more grade levels below the grade level appropriate to the individual's age
  - Pregnant or parenting
  - Possess one or more disabilities, including learning disabilities
  - Homeless or runaway
  - Face serious barriers to employment, as approved by the State or the LWIB for purposes of the project
- C. There are no additional youth eligibility requirements unless special groups are to be targeted. The eligibility criteria for these special groups will be spelled out in the project narrative of the contract, subgrant, or interagency agreement that EDD will establish with the project operator.

### **Required Services**

#### I. Programs serving adults (age 18 and older)

- The project operator must deliver the services agreed to in negotiations with the State and contained in the project narrative that is part of the contract, subgrant, or interagency agreement.

#### II. Programs serving youth (age 14 through 21)

- The project operator must deliver the services agreed to in negotiations with the State and contained in the project narrative that is part of the contract, subgrant, or interagency agreement.
- The project operator must establish skill attainment goals, at least annually, for each participant who was enrolled pursuant to the youth eligibility criteria.

- Project operators with youth participants are encouraged, but not required, to develop a program design which includes the following 10 elements:
  1. Tutoring, study skills training, and instruction leading to secondary school completion, including dropout prevention strategies
  2. Alternative secondary school offerings
  3. Summer employment opportunities linked to academic and occupational learning
  4. Paid and unpaid work experiences, including internships and job shadowing
  5. Occupation skills training
  6. Leadership development opportunities
  7. Supportive services
  8. Adult mentoring
  9. Follow-up services
  10. Comprehensive guidance and counseling

### **Reporting**

***As stated in the General Provisions and Standards of Conduct, Exhibit BB of the standard subgrant agreement, subgrantees are required to compile and submit reports of activities, expenditures, status of cash and closeout information by specified dates, as prescribed by the Subgrantor (i.e., the State). As required by WIA Directive WIAD02-12, Subject: WIA Monthly Reporting Instructions, dated March 11, 2003, all subgrantees in receipt of WIA 15 Percent funds must provide monthly expenditure and participant reports. Failure to provide monthly financial reports may result in a cash request not being approved. The monthly expenditure and participant reports are to be provided until notified otherwise. Monthly reports are always due the 20th of the month following the report period. The exception is when a quarterly report is due for March, June, September, and December.*** Please refer to WIA Directive [WIAD02-12](#) for further reporting guidance.

### **Performance Measures**

The law allows for projects funded with Governor's WIA 15 Percent Reserve funds to be designated as demonstration and research projects. The EDD, WDB Management Team will designate projects that are demonstration projects. Project operators with designated demonstration projects will be notified by EDD, WDB.

#### **I. Demonstration/Research Projects**

The State and the project operator will agree on the performance measures so that the State can assess the project outcomes. ***The project operator will be responsible for maintaining such documentation and providing such reports as may be required by the State.*** Demonstration/research project performance will not be included as part of the reporting on the standard performance measures by the State to DOL.

## II. Non-demonstration/Non-research Projects

The State and the project operator will establish performance goals for each project using all or a subset of the 17 standard WIA performance measures specified in the WIA and its supporting regulations (WIA Section 136 and Title 20 CFR, Part 666, respectively). These measures are defined in DOL [TEGL 7-99](#). Goals should be established for all performance measures that apply to the population being served in the project. ***The statewide performance goals will apply unless these are revised during the negotiation process. Any performance goals that are lower than the statewide goals must be approved by the EDD Management Team and described in the project narrative portion of the contract, subgrant, or interagency agreement.***

***Past performance will be one of the criteria considered for future renewal or for approval of additional funding of a 15 Percent project.***

### **Follow-up**

The WIA, the governing regulations, and DOL policy guidance encourage and, in some cases, require follow-up for two primary reasons. First, the WIA encourages long-term intervention and services to assure that individuals placed in employment receive the support necessary to retain employment and gain self-sufficiency. Second, follow-up contacts enable the State and specific projects to maximize performance outcomes by collecting information on the employment status and the post-program educational attainment/credentials of individuals served with WIA funds. The State's JTA system has been designed to allow programs to report client contact information for four quarters after exit to support client tracking and to supplement data in the automated performance reporting system.

The follow-up requirements for the two categories of 15 Percent projects are explained below. We have implemented different requirements for demonstration and research projects because, as a rule, these projects are outside the "standard" performance system and are subject to independent evaluation criteria.

### I. Demonstration/Research Projects

Project operators are encouraged, but not required, to conduct follow-up activities as outlined in the WIA and consistent with the intent of the legislation to provide longer-term intervention to support success. The State and the project operator will discuss and establish follow-up requirements for the project. These will be added to the project narrative in the contract, subgrant, or interagency agreement.

## II. Non-demonstration/Non-research Projects

For the purpose of performance measure outcomes, follow-up contacts are mandatory for four quarters after program exit. Following is a discussion of the requirements for providing follow-up services to adults and youth:

- Adults and Dislocated Workers

As required by WIA, follow-up services must be made available to adults and dislocated workers who enter unsubsidized employment for a minimum period of 12 months following placement. Not all adults and dislocated workers who are placed in unsubsidized employment will want or need such services. However, they must be made available if they are necessary and reasonable to ensure employment retention, wage gains and career progress. Such services could include, but are not limited to:

- Additional career planning and counseling
- Contact with a participant's employer, including assistance with work-related problems that may arise
- Peer support groups
- Information about additional educational opportunities
- Referral to supportive services available in the community

The type(s) and duration of services must be determined and documented for each individual.

As stated in Title 20 CFR, Section 663.815, financial assistance, such as needs-related payments, is not allowable for employed individuals. Section 134(e)(3)(A) restricts needs-related payments to unemployed persons who have exhausted or do not qualify for unemployment compensation and who need payments to participate in training.

- Youth

Title 20 CFR Section 664.450 specifies the requirements regarding follow-up services for youth, which may include the supportive services listed in Section 664.440. All youth must receive some form of follow-up services, which may include supportive services, for a minimum of 12 months following participation. The types and duration of services must be determined and documented for each youth.

In an effort to support a client's successful entry or reentry into the labor market, and to assist in their job retention, attempts should be made to follow up with all clients to determine their needs for additional services before exit, and to assess outcomes, as appropriate and feasible. At each follow-up contact, project operators are expected to record and report supplemental outcome information gathered as a result of the contact. Follow-up reporting is discussed in detail in the WIA [JTA Client Forms Handbook](#). Further discussions of follow-up contact requirements and

reporting of supplemental information will occur during project development and during individual or group orientation sessions, as necessary.

If a project is established for a term-specific period and is not considered an ongoing project, the State may relax the follow-up contact requirement. In such cases, the State and the project operator will discuss and establish follow-up requirements for the project. These will be added to the project narrative in the contract, subgrant, or interagency agreement.

## **ACTION**

Please bring this directive to the attention of all staff involved with the Governor's WIA 15 Percent Reserve projects.

## **INQUIRIES**

Please direct questions about this directive to your assigned State Project Manager or [Regional Advisor](#) at (916) 653-6347.

/S/ BOB HERMSMEIER  
Chief  
Workforce Investment Division